

Appropriations and Finance Committee
LTBB Governmental Administration Building
Tribal Council Chambers
7500 Odawa Circle, Harbor Springs, MI 49740
Regular Meeting
September 18, 2018

Call to Order: 9:13 a.m.

Committee Member Roll Call: Councilor Dexter McNamara, Councilor Shanna Wemigwase,
Treasurer Marcella R. Reyes

Absent: none

Tribal Councilors present: none

Legislative Staff: Legislative Services Attorney Donna Budnick, Sr Financial Analyst Rachel
Cope, Legislative Administrative Assistant Linda Gokee

Executive Staff/Official Present: Direct Services Administrator Phil Harmon, Chief Financial
Officer Carrie Carlson, Grant Writer Amber Holt, Health Director Jody Werner, Elders
Department Director Mary Roberts, Education Director Jannan Cotto

Tribal Court Staff/Official Present:

Public: none

Invited Guests: none

Closed Session: none

Motion made by Councilor McNamara and supported by Councilor Wemigwase to adopt the
Agenda of September 18, 2018 as amended.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried.

Motion made by Councilor Wemigwase and supported by Councilor McNamara
to approve the minutes of August 14, 2018 as corrected.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried.

Phone Polls: none

New Business:

Discussion: Gaming Authority 2019 Budget

- Before any decision is made, the Appropriations and Finance Committee would like the actual expenditures for the 2018 budget for comparison.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to **table** the approval of the Gaming Authority 2019 Budget.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried.

Sr. Financial Analyst Report:

- Discussion needed for the 2019 Budget to include all branches of Government due to the enactment of 2018 Emergency Budget Reduction.
- Discussion needed on the usage of Fund Balance dollars.
- Discussion needed on the use of Capital Expenditures dollars.
- Odawa Casino Resort Petoskey and Mackinaw financial reports.
- Received the Audit Report.
- PNC Investment Report.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to acknowledge Sr Financial Analyst Rachel Cope's verbal report as presented on September 18, 2018.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

9:58 a.m. Break

10:24 a.m. Meeting resumes

New Business continued:

Discussion: BIA Road Maintenance Program Funding Increase

-Received more funding from the Bureau of Indian Affairs Road Funding in the amount of \$6,324.00.

Motion made by Councilor Wemigwase and supported by Councilor McNamara to recommend to Tribal Council to approve Certified Motion 092718-01 Funding from the United States Department of the Interior, Bureau of Indian Affairs, P.L. 93-638 Annual Funding Agreement Road Maintenance Program Contract FY 2018, Funding Increase.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: FY2019-2021 Tribal Transportation Improvement Plan and Authorization to Participate in Nationwide Elder Needs Assessment.

- Per Grant Writer Amber Holt, Certified Motion's 092718-02 and 0992718-06 should not be on the AFC Agenda because they are not request's for funding.
- Both motions need to be placed on the September 27, 2018 Tribal Council Meeting Agenda and approved by Tribal Council.
- Planning Director Amanda Swiss will be attending the Tribal Council Work Session on Tuesday, September 25, 2018 if there are any questions regarding the Transportation Plan.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to refer Certified Motions #092718-02 and #092718-06 to Tribal Council.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: Tribal Air Grant, Clean Air Program

- No match required
- The Tribe must apply for this grant every two (2) years.
- Indirect Cost is earmarked.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to recommend to Tribal Council to approve Certified Motion #092718-03 Request for Funding from U.S. Environmental Protection Agency Section 103 of the Clean Air Act, FY 2019-FY 2020 Region 5 Tribal Air Grant, Clean Air Program.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: Human Services Emergency Assistance Program Funding Increase

- Anticipate receiving additional funding from the Community Services Block Grant (CSBG) Emergency Assistance Program Funding Increase to total \$15,272.00.
- Low income requirements.

Motion made by Councilor Wemigwase and supported by Councilor McNamara to recommend to Tribal Council to approve Certified Motion #092718-04 Acceptance of Funds as a Sub-Grantee of Inter-Tribal Council of Michigan, Inc. Community Services Block Grant Emergency Assistance Program Funding Increase.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: BIA Conservation Law Enforcement Officers (CLEO) funds

- Received previous CLEO funds for a 5-year project period,
- The Tribe must now apply for the BIA competitive 5-year project cycle and is not a guarantee the Tribe will be awarded the grant funding,
- If not approved, Natural Resources Department Director Doug Craven has incorporated funds within his department, however, should the Conservation Enforcement Program budget become unavailable, the position will end when grant funds are exhausted.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to recommend to Tribal Council to approve Certified Motion 092718-05 Request for Funds from the Bureau of Indian Affairs Conservation Law Enforcement Officers Funds FY 2019 – FY 2023.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: Education Van purchase

- If the van is purchased using the Executive's Capital Expenditures Budget Line Item, \$15,000.00 will remain in this Line Item until December 31, 2018. This would leave this Line Item for unforeseen projects unfunded and delayed. Is the Executive ok with this?
- Are there any Capital Expenditure Improvements for the remainder of FY 2018 scheduled?
- Facilities and Maintenance Director Simon Kenwabikise works with Vice-Chairperson Stella Kay for planned project improvements. Simple fixes are used from the Facilities 1601 Budget,

- Legislative Services Attorney Donna Budnick provided the following taken directly from the Ad-Hoc Land Management Committee Findings and Recommendations to the Tribal Chair and Tribal Council...

1. Findings.

Currently Safety Coordinator conducts either annually or bi-annually (twice a year) comprehensive inspections of Tribally owned building and vacant lands that may include food and safety, grounds, potable water, and structural inspections. Indian Health Services (IHS) inspects some parts of buildings, but not all of the Tribal buildings. There have been some fire inspections and water and sewer, but they do not occur on a routine basis.

Recommendations.

Provide pro-active comprehensive inspections every six-months of all Tribally owned properties where there is a structure or building. Inspections should include an assessment of potential maintenance and structural integrity concerns. It is recommended that the Safety Coordinator share the reports with the Department Director who is assigned the property, the Facilities Department and the Land and Reservation Committee members. The Safety Coordinator and the Facilities Department could also provide the necessary follow up to ensure that the item or items have been fixed, replaced or repaired or Department of Natural Resources if the issue involves vacant land.

By adding some general funds to the Facilities Department, this would allow for minor repairs of all Tribally owed buildings to occur "in-house" instead of paying an outside contractor. Also, this would prevent further damage from occurring, whether or not the building is included in the "space cost" allocation.

It is further recommended that all fire inspections and IHS reports be shared with the Maintenance Department along with any other inspection reports, i.e. Mead and Hunt, inspects all water and sewer; Koorsen handles fire inspections, alarms, egress and ingress. The Maintenance Department can make minor repairs or can work with the Executive on larger repairs under "Capital Expenditure" funds. To best allocate the Capital Expenditure funds, the Maintenance Department should develop a three to five-year building and structure management plan, that includes funding for capital expenditures based on the comprehensive inspection reports and the life and depreciation of building's infrastructure equipment. This building and structure plan should also be shared with the Planning Department and the Land and Reservation Committee, so that Planning Department and Tribal Council is aware of potential costs and expenditures.

- To date, there has not been a 3 to 5-year plan submitted on the usage of Capital Expenditures.
- A van is needed to provide transportation for our Youth to attend different activities. The former van was unsafe to transport our Youth and is no longer in commission.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to recommend to Tribal Council to adopt Tribal Resolution Budget Modification for Education Department Van Purchase not to exceed \$35,000.00.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: Elders Emergency Assistance and Direct Client Services

- \$4000.00 is what remains out of \$26,000 for the Elders Emergency Assistance fund. This fund assists in emergent situations such as a need for propane, eviction notices, utility shut off notices.
- Direct Client Services has temporarily been stopped due to no funding available.
-This funding provides service for major household functions such as hot water tank

replacements, plumbing fees, stoves, and refrigerators.
-\$1200 is available per year for Elder Direct Client Services and is income based.

Motion made by Councilor McNamara and supported by Councilor Wemigwase to recommend to Tribal Council to adopt Tribal Resolution Funding in the Amount of \$50,000 for the purpose of Elders Emergency Assistance and Fuel and Utility Assistance.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Discussion: The hiring of new employees

- Questions from the Health Department Director Jody Werner.
-Does this apply for 3rd Party Funds? The Health Department plans on implementing a Cultural Coordinator position and a Community Education Coordinator (teaches local hospitals and hospice of end of life traditions). This would benefit our Tribal Community.
- Questions from Sr Financial Analyst Rachel Cope.
-Would this include not hiring a grant writer to be under the Legislative Department for the purpose of obtaining grants for our Economic Development and Enterprises?

Motion made by Councilor Wemigwase and supported by Councilor McNamara to acknowledge and declare that Tribal Council will not approve any General Fund Supplemental Funding Requests for the hiring of any new government employees or for the creation of any new governmental employee positions for the remainder of FY 2018.

Vote: 2-yes, 1-no (Treasurer Reyes), 0-abstain, 0-absent

Motion carried

Discussion: Consolidated Tribal Government Programs (CTGP)

- The Tribe has received additional funding from the Bureau of Indian Affairs (BIA) CTGP in the amount of \$88,429.88 along with cuts made to BIA CTGP and additional revenue from the Child Care Fund resulting in the reduced expenses on the General Fund Budget.
- This modification would allow the Executive to use the extra money for other General Fund departments.
- How does the Executive delegate funding?

Action by the Appropriation and Finance Committee is to reject the Executives Tribal Resolution Budget Modifications for FY 2018 Increased CTGP related General Fund needs in other programs and revise the BIA 638 Budget to allocate the monies to the Human Services Department and to the State of Michigan Child Care Revenue Fund.

12:24 p.m. Break

12:39 p.m. Meeting resumes

Discussion: Revenue Allocation Plan (RAP)

- Where are we at with the casinos cash payments made to the Tribe?
- The RAP negotiation for the 2018 Per Capita distribution payment is calculated from Odawa Casino Resort FY 2017.
- 2019 RAP will be determined by the 2018 final revenue of the casino.
- Odawa Casino Resort either needs to increase revenue or decrease spending.

CTGP Continued...

Motion made by Councilor McNamara and supported by Councilor Wemigwase to acknowledge receipt of additional of funds from the Consolidated Tribal Government Program (CTGP) in the Amount of \$62,429.48 and from the State of Michigan Child Care Fund in the amount of \$26,000 for a total of \$88,429.48

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Old Business:

Discussion: 2019 Executive Proposed Budget

- The Executive submitted a 2019 General Fund Budget as recommended by Legislative Leader Fred Harrington Jr.
- No Tribal Resolution to Appropriate Funds for the 2019 Fiscal Year Operating Budgets, Budget Allocations, Cost Recovery and Indirect Budgets, Grants/Federal Contract Fund Budgets were submitted, as well as, no Financial Impact Statement was prepared by Sr Financial Analyst Rachel Cope.
- The Tribe must adhere to the Budget Formulation Process to include Branch/Departmental Budget Hearings, Proposed Annual Budget must be made available to Tribal Citizens prior to a budget public hearing, etc. Transparency needs to be upheld.
- The only time an amended budget can be brought forward, after the fact, is through an emergency budget initiated by Sr Financial Analyst Rachel Cope.

Motion made by Councilor Wemigwase and supported by Councilor McNamara to acknowledge receipt of the Executive's Tribal Resolution for an Amended Budget for FY 2019 received on September 13, 2018.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Motion made by Councilor Wemigwase and supported by Councilor McNamara to recommend to Tribal Council to **not** approve the Executive's Tribal Resolution for an Amended Budget for FY 2019 received on September 13, 2018.

Vote: 3-yes, 0-no, 0-abstain, 0-absent

Motion carried

Public Comment:

1:29 p.m. Public Comment Opens

- **No comments**

1:29 p.m. Public Comment Closed

Discussion: Legislative Leader Fred Harrington Jr. and the Executive regarding the amended 2019 Budget.

- Treasurer Reyes will be bringing discussion forward on the Budget Formulation Statute at the next Tribal Council Meeting on September 27, 2018.

Adjourn:

1:32 p.m. Motion made by Councilor Wemigwase and supported by Councilor McNamara to adjourn.

Vote: 3-yes, 0-no, 0-abstain, 0-absent
Motion carried

Next Meeting date(s)
Regular Meeting: Tuesday, October 16, 2018 at 9:00 a.m.

APPROVED